



TOM TINDALL  
Director

## County of Los Angeles INTERNAL SERVICES DEPARTMENT

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*"To enrich lives through effective and caring service"*

February 21, 2013

To: Each Supervisor

From: Tom Tindall  
Director

A handwritten signature in black ink that reads "Tom Tindall". The signature is written in a cursive, flowing style.

Subject: **ENERGY & ENVIRONMENTAL POLICY REPORT #13**

This memo provides an update on the accomplishments and activities under the Countywide Energy and Environmental Policy (Policy) that your Board approved on January 16, 2007. This report also discusses the County Office of Sustainability within the Internal Services Department (ISD) and its work to support the Policy.

In September 2009, your Board approved the creation of the County Office of Sustainability within ISD to respond to legislation, regulation, and policy related to climate change, and to coordinate energy efficiency, conservation, and sustainability programs within the County and the region.

Below are updates on various programs and initiatives overseen by ISD.

### **Funding Sources**

Many of the projects and programs described in this report were initiated and administered using grants received under the American Recovery and Reinvestment Act (ARRA) which have been documented in past Policy reports. Below is a table describing the status of these grants which, for the most part, have been spent down and will be terminating in 2013.

ISD has recently executed a contract with Southern California Edison (SCE) and Southern California Gas Company (SCG) for \$45 million which will continue many of these efforts through 2014. Per the California Public Utilities Commission (CPUC), the County will administer these programs under the newly authorized Southern California Regional Energy Network (SoCalREN). Further description of the SoCalREN follows in this report.

<b>ARRA Program</b>	<b>Original Amount</b>	<b>Status</b>
Energy Efficiency and Conservation Block Grant (EECBG)	\$34.5 million	Funds are 88% spent and grant expires in September of 2013.
California Energy Commission (CEC) EECBG	\$9.0 million	Original grant funds are spent. ISD accepted an additional \$11 million to support long-term, energy financing programs. Grant extended to 2017.
Better Buildings Program (BBP) Grant	\$30.0 million	ISD manages statewide BBP grant program. Funds are 67% expended. Grant expires in September of 2013.

### **Energy Upgrade California in Los Angeles County (EUC-LAC)**

EUC-LAC is a comprehensive energy efficiency program for residential properties that is sponsored by the County, in conjunction with the local investor owned utilities. EUC-LAC includes the program elements described below. These will be continued through 2013-2014 under the SoCalREN.

- EUC-LAC offers homeowners rebates to offset the cost of energy efficiency upgrades to their homes. To support EUC-LAC, the County provided matching incentives to homeowners completing Basic and Advanced Path upgrade projects within L.A. County. Because funds were nearly exhausted, the County closed the program to new incentive applications in September 2012. As of February 2013, the County has committed to providing matching incentives for 1,544 projects. All projects receiving matching incentives have been completed and outstanding rebate checks are currently being processed.
- ISD also created an alternative to Basic and Advanced Paths called the Flex Path. Flex Path provided homeowners and contractors with a simplified approach to completing a home upgrade project. Due to the success of the program, funds were exhausted quickly and the program was forced to close to new applications in October 2012. As of February 2013, 1,643 Flex Path projects have been completed.
- The County, in conjunction with Matadors Credit Union, currently offers competitive financing products to homeowners who undertake EUC-LAC projects. Utilizing various grant sources, ISD created a loan-loss reserve that helps to lower the interest rate available to homeowners looking to finance energy efficiency upgrades, while providing the financial institution with the needed security to offer such low rates.

### **Los Angeles Regional Collaborative for Climate Action and Sustainability (LARC)**

ISD serves as the County's representative to the Los Angeles Regional Collaborative (LARC) for Climate Action and Sustainability. LARC is an organization committed to supporting climate mitigation and adaptation initiatives by convening representatives from local government, non-profits, academia, and industry to define meaningful approaches to reaching our collective climate and sustainability goals. Current LARC efforts are described below; these will be supported by the SoCalREN.

- The creation of a Regional Greenhouse Gas (GHG) Inventory for all of the cities and unincorporated areas of Los Angeles County. This project, utilizing funding from the County's EECBG, was overseen by ISD in conjunction with LARC. The Inventory has been completed and the final report and findings will be released in April of 2013.
- In July 2012, the LARC published a study, titled "*Mid-century Warming in the Los Angeles Region*," which utilizes sophisticated computer projections to predict the potential impacts climate change will have in the Los Angeles region. Additional analysis related to precipitation projections is currently underway and will be released in coming months. More information on this work can be found at [c-change.la](http://c-change.la).
- LARC, in conjunction with L.A. County Metro, received a \$1 million grant from the Strategic Growth Council to complete a Regional Climate Action Plan, titled *A Greater L.A.: The Framework for Climate Action and Sustainability*. Utilizing these grant funds, the LARC will build from the scientific studies described above to conduct an extensive, stakeholder-driven process to develop cohesive climate mitigation policies and model ordinances for use by jurisdictions within the County.

### **Southern California Regional Energy Network (SoCalREN)**

On January 15, 2013, your Board accepted \$44.8 million from the CPUC in 2013-2014 Statewide Energy Efficiency Program funds to continue the administration of successful ARRA and CPUC programs initiated by the County. These funds will support the SoCalREN, an organization of local governments led by the County, in implementing a variety of energy efficiency programs that are described in more detail below.

In February 2013, the County executed agreements with the Southern California Gas Company and Southern California Edison, the fiscal administrators of the abovementioned funds, which detail the scope of work that the County, in conjunction with the SoCalREN, will administer in the coming years. Programs and initiatives fall under three major categories:

### Energy Upgrade California in Los Angeles County (EUC-LAC)

- Under direction from the CPUC, the County is actively working to revise the Flex Path program design to meet Commission-mandated minimum requirements. Once a redesign is completed and approved by the CPUC, this program will launch and be administered by ISD.
- ISD will also implement a widespread marketing campaign, continue support of local governments' efforts to promote EUC-LAC, and conduct public outreach in the form of workshops and homeowner events. ISD will also continue successful outreach to real estate professionals in an effort to provide them with valuable knowledge about energy efficiency and green buildings.
- ISD will support the local energy efficiency contractor community by continuing the success HVAC Contractor Program that was piloted using BBP funds. This program will focus on providing local contractors with training opportunities, recruitment support, and technical assistance.
- Additionally, SoCalREN will continue the successful Multifamily Upgrade Program that was piloted using BBP funds. This program will grow extensively in scope and will be able to target many more multifamily properties, but the program design will be similar to the original pilot.

### Energy Efficiency Financing

- ISD, in conjunction with Matadors Credit Union, will continue the successful single-family financing program to offer homeowners with competitive products to help fund their EUC-LAC projects. A similar program will be developed to support multifamily upgrades.
- In support of the County's non-residential Property Assessed Clean Energy (PACE) program, ISD will continue to provide marketing, education, recruitment, and technical support to property owners taking advantage of PACE loans.
- ISD will support various public agency financing programs by overseeing recruitment, education, and technical support for the Public Building Loan Loss Reserve and Public Agency Revolving Loan Fund.

### Southern California Regional Energy Center (SoCalREC)

- ISD will oversee the creation of an Aggregated Regional Procurement Program that will provide centralized, aggregated technical support for public agency energy managers as they procure energy efficiency equipment and services.

- ISD will continue to expand the Enterprise Energy Management Information System (EEMIS), described in more detail below, and provide technical assistance and support for public agency staff utilizing that system.
- In conjunction with LARC, ISD will support various long-range climate mitigation and adaptation planning efforts focused on regional coordination. This work will complement the planned development of a Regional Climate Action Plan and build from the existing technical studies that LARC has produced.

### **Energy Management Activities**

ISD will oversee a variety of energy savings projects, both for the County and other local governments, that are funded by grants and other sources. Current projects and efforts include:

- Work under the CPUC Long-Term Energy Efficiency Strategic Planning grant program was extended through 2014. This program expands ISD's Enterprise Energy Management Information System (EEMIS) to allow use by other local governments. At this time, over 50 local governments have agreed to participate in the program and utilize EEMIS, including the City of Los Angeles Department of General Services. Participating local governments and ISD staff have collected extensive city facility and utility account information and loaded the data into EEMIS. The local governments, in aggregate, will add data from approximately 10,000 utility service accounts into EEMIS. At this time it is estimated that data from approximately 300 Gas Company service accounts will be eventually added to EEMIS.
- Retro-commissioning (RCx) of the Montebello Regional Library, Pico Rivera Sheriff Station, and Long Beach Health Clinic are the latest RCx projects (out of over 60) undertaken by ISD. These retro-commissioning projects are essentially a "tune-up" of the heating, ventilating, and air conditioning systems to ensure optimal performance, which in turn results in energy efficiency and utility savings.
- Continued implementation of a program to replace the current T-8 type fluorescent lamps with lower wattage, higher efficiency lamps throughout the County utilizing the Energy Investment Program (EIP) designed by ISD and approved by your Board. Projects will be implemented and the utility savings realized will then be used to re-invest into the fund until the project costs are fully recovered. The EIP will continue to provide a funding source for additional energy projects and cost savings achieved from those projects will continue to replenish the fund.

- Implementation of new Carbon Monoxide (CO) and Selective Catalyst Reduction (SCR) catalysts in the Heat Recovery Unit at the Civic Center Cogeneration Plant. The project greatly reduced operating pressures allowing the facility to produce more electrical power. The project will increase the Cogeneration revenue from LADWP by \$1,700,000 annually.
- Completed the installation of two variable frequency drives (VFDs) on the secondary cooling tower condensing water pumps at the Civic Center Cogeneration Plant. The new VFDs use about 65% of the energy required to operate the existing 500 HP motors. Annual savings are projected to exceed \$500,000.
- Ongoing coordination with various County departments, including Public Works, Parks and Recreation and the Sheriff, to assure that utility rebates are being captured for several energy efficiency projects, including lighting upgrades, computer server virtualization upgrades, and efficient pump replacement projects.
- Continued work with the Department of Health Services, using Board-authorized Capital Project funds, to replace old, inefficient boilers and to retrofit existing boilers to meet current South Coast Air Quality Management District requirements at the Olive View/UCLA Medical Center, Rancho Los Amigos National Rehabilitation Center, Harbor/UCLA Medical Center, and the LAC+USC Medical Center.

### **Other Initiatives**

ISD is also involved in a variety of programs aimed at supporting initiatives that address the County's energy efficiency, green building, and climate change mitigation goals for internal operations, including:

- To comply with Assembly Bill (AB) 32, ISD has prepared a Municipal GHG Emissions Inventory to support the development of an Emissions Reduction Plan for all County operations. ISD is developing a Municipal Climate Action Plan (MCAP), which will help guide how the County can reduce internal operations GHG emissions by 15% by 2020. Proposed measures will also be included that create the potential to exceed the 15% GHG emissions through additional activities. The initial GHG emissions Inventory was completed in early 2011, with 2009 GHG data and is now being updated with 2011 data. As a result, the draft MCAP will also require updating to reflect the new data, including proposed reduction measures.
- As part of continued efforts to support efficiency improvements to existing County buildings, ISD is developing a County Green Building Program that will

offer other departments turnkey Leadership in Energy and Environmental Design (LEED) certification services, LEED feasibility assessments, technical support for departments seeking to perform their own LEED certification, and other green building measures implementation support. All of these services complement ISD's existing energy management services. As part of the Green Building Program, ISD has developed a Green Building Dashboard, which provides County building managers the ability to monitor energy usage and other sustainability measures in selected key facilities. Development and implementation of the energy efficiency portion of the new dashboard has been completed, and the site went live on June 29, 2012. The dashboard was also linked to the Green L.A. County website, so that it can be accessed by County employees (only) at <http://lacounty.mckinstry.com/phase2a>. The Energy Efficiency portion of the dashboard has fully-developed reporting tools, which link into the EEMIS data-gathering program, allowing ISD employees and other County facility managers to access historic, recent, and, in some cases, real-time energy use data. The environmental portion of the dashboard is currently in development, and is scheduled for completion and launch on July 1, 2013.

ISD staff continues to assist other departments with various efforts in the areas of fleet and transportation, funded by grants and other sources, to reduce the County's GHG emissions. Current projects and efforts include:

- ISD assisted the Sheriff Department in writing and negotiating two Carl Moyer Program grants from the South Coast Air Quality Management District, totaling \$7 million, to replace 37 (45%) of Sheriff's 82 Prisoner Transportation Buses. The combined emissions from all 37 new buses will produce less particulate matter (soot) and less nitrous oxide emissions than just one of the old buses being retired. The first 16 buses have been delivered. Nine additional buses are budgeted for Fiscal Year 2013-14. ISD is assisting the Sheriff's Department with project management and in fulfilling the technical and reporting terms and conditions of the grant.
- As co-lead with the Los Angeles Department of Water and Power (LADWP), ISD and 21 other agencies received an \$840,000 award from the CEC to upgrade first generation EV charging infrastructure. Leveraging the CEC award to the SoCal EV Collaborative, ISD has been awarded \$193,000 in matching funds from the Mobile Source Air Pollution Reduction Review Committee (MSRC) to furnish and install electric vehicle (EV) charging infrastructure at various County sites. ISD is working with six other County departments to install 93 at 30 sites throughout the County and to accelerate the adoption of zero emission miles.
- ISD helped draft the successful statewide Plug-in Electric Vehicle collaborative application for the Department of Energy's Clean Cities Community Readiness and Planning for Plug-In Electric Vehicles (PEV) and Charging Infrastructure

Grant. The statewide application received the maximum award of \$1 million. ISD provided significant input in the development of various materials and toolkits developed by the PEV Collaborative's Statewide Planning and Implementation team. More information is available at: <http://www.pevcollaborative.org/policy-makers>.

- ISD played a significant role in the Southern California Association of Governments' (SCAG) successful regional plans to support PEV-Readiness Grant application from the CEC. ISD is serving as Chair of SCAG's Southern California PEV Coordinating Council for SCAG's EV planning and implementation leadership council.
- With assistance from SCE and LADWP, ISD developed a multi-year Master Purchasing Agreement for EV-charging infrastructure. Twelve firms representing 13 different manufacturers were awarded. This Master Agreement is available to public agencies throughout the region and will be used by the SCAQMD and the LADWP. The State of California is piggy-backing the County's Agreement and has extended it to all the State's political subdivisions.

ISD continues to monitor and track pertinent legislative activities, especially those which support local government and regional GHG reduction programs and projects. Among the key legislation that ISD is tracking including implementation of Proposition 39 and AB 1532.

- Proposition 39 was approved by California voters last fall and provides over \$500 million per year to support energy efficiency projects in public buildings, clean energy workforce development programs, and clean energy financing programs. Currently a number of bills have been introduced in the California legislative session which seek to disperse and manage these funds.
- AB 1532 became law last year and established a framework under which revenues from the State's Cap & Trade market would be utilized to further mitigate GHG production. As described in previous Policy reports, ISD has been participating in regulatory proceedings and other venues where program funding using these revenues are established. In addition, bills have also been introduced this year seeking to identify other spending priorities for these funds.

ISD staff continues to support on-going, public-facing environmental initiatives in the following ways:

- ISD staff sits on the CEO Green Leaders Awards Review Committee and will assist with the selection of awardees for the 2013 honors.



- ISD currently staffs and maintains the various Environmental Service Centers (ESCs) across the County. There are currently two fixed and staffed Environmental Service Centers that accept walk-in traffic and appointments for the public to learn more about available programs.
- ISD oversaw the creation of the recently published Drought Tolerant Garden Handbook to provide guidance for constituents as they comply with the Drought Tolerant Landscaping Ordinance or remodel their landscaping to reduce water consumption. This handbook is available at <http://green.lacounty.gov> and a limited number of copies were printed for use at the ESCs and County offices.

Further details on many of the activities described above may be found on the website <http://green.lacounty.gov>.

If you have any questions, please contact me at (323) 267-2101 or Howard Choy at (323) 267-2006.

TT:JJ:LR

c: ISD Board Deputies  
Chief Executive Officer  
Deputy Chief Executive Officer  
Each Department Head